

Original Research Article

Exploring the Role of Creative Industries in Tourism Development

(A Case Study of Handicrafts in Shiraz: Khatamkari and Minakari)

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Abstract | This article examines how handicrafts can be re-read as a key component of the creative industries and as a driver of cultural tourism. The case study focuses on Persian Enameling (Khatam-kari) and Persian Enameling (Minakari) in Shiraz. The theoretical framework draws on design thinking, neo-craft, creative economy, and the cultural and creative industries. From the perspective of cultural tourism management, the study aims to strengthen artistic entrepreneurship and the role of the designer-craftsperson as a cultural entrepreneur. Using core concepts such as abductive reasoning, associative thinking, and scenario-based design, the article proposes strategic scenarios for developing handicrafts at three levels: policy-making, tourism-network interaction, and craft innovation. The research data were gathered from official Iranian reports, including materials from the Ministry of Cultural Heritage, Tourism and Handicrafts, and field data from Shiraz, as well as academic sources. The findings indicate that, before any executive solution is adopted, strategic policy-making, design-driven innovation, institutional coordination, the integration of heritage with innovation, and stakeholder networking are essential conditions for success in creative tourism. Finally, the article offers practical recommendations for strengthening Shiraz handicrafts, enhancing cultural tourism, and integrating Khatam-kari and Minakari into the value chain of the creative industries.

Keywords: *Creative tourism; Cultural tourism management; Design thinking; Craft entrepreneurship; Abductive reasoning.*

Introduction | First of all, we consider it necessary to understand the socio-cultural context in which the research was formed. In recent decades, both tourism scholarship and tourism policy have moved noticeably away from traditional models of cultural tourism toward creative cultural tourism. Creative tourism emphasizes active participation, experiential learning, and the co-creation of cultural value. It can be understood as a response to mass and consumption-oriented tourism, which often erodes cultural authenticity and reduces aesthetic experience to passive viewing (Richards, 2021). In creative tourism, visitors are no longer passive spectators.

They become cultural partners who participate in the production of meaning, experience, and sometimes even cultural products. In this sense, the shift from commercial-industrial tourism to a form of tourism in which the tourist becomes a cultural actor and an ambassador of interaction is one of the most meaningful outcomes of contemporary tourism. Handicrafts occupy a special place in this transition. They are not merely tangible expressions of cultural heritage; they also embody knowledge systems, technical skills, and the aesthetic identity of a people. From the perspective of tourism, handicrafts create a bridge between the past and present. They keep heritage alive while also offering a platform for

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innovation, contemporary design adaptation, and new economic opportunities. In many countries today, handicrafts are recognized as part of the creative economy because they can transform culture and art into a sustainable competitive advantage (UNCTAD, 2018).

In Iran, Shiraz is one of the most important centers of art, handicrafts, and Iranian cultural identity. Its reputation is not limited to Pasargadae and Persepolis. Shiraz is also known as the capital of Iranian culture and literature. Among the most celebrated poets of Persian literature, at least Saadi and Hafez are closely associated with this city. In the arts after the advent of Islam, Shiraz also has a deep historical position and has nurtured significant traditions in Persian Marquetry (Khatam-kari), Persian Enameling (Minakari), engraving, and wood carving. Since the Safavid period, Shiraz khatam-kari has been known as one of the most delicate and complex forms of wood-based craft. Minakari, with its luminous colors and traditional patterns, is likewise one of the brilliant symbols of Iranian metalwork. Yet, in the literature on creative tourism, much more attention has been given to Isfahan, while Shiraz's distinctive capacities have been studied far less.

This study seeks to show, in a comprehensive way, how Shiraz can activate its handicrafts and combine them with creative tourism to offer a new model of cultural and economic development. Unlike the traditional view that treats handicrafts mainly as decorative goods or souvenirs, this article considers handicrafts as part of a dynamic cultural-production system. Such a system can shape tourist interaction, cultural experience, and even urban policy. The importance of this issue can be understood from several angles. Economically, handicrafts can generate sustainable income for artists and local households, especially where skill-based employment and micro-entrepreneurship are policy priorities. Culturally, handicrafts help preserve and transmit intangible heritage to future generations and sustain a sense of identity and belonging. Environmentally, unlike many industrial products, handicrafts are generally based on local resources and low-carbon processes; therefore, they are consistent with the principles of sustainable tourism development (OECD, 2021). Nevertheless, there are several challenges. Many Shiraz handicraft products remain bound to traditional formats, while design innovation, marketing, and the tourist experience have received insufficient attention. In addition, the lack of institutional coordination among tourism, education, export, and cultural sectors is a serious obstacle to integrated development. This article uses abductive reasoning and associative thinking to turn these shortcomings into opportunities and to propose strategic pathways for developing handicrafts and creative tourism in Shiraz.

The research approach combines theory and practice through

scenario-based design. Rather than presenting a single linear solution, the study builds alternative and feasible scenarios that can be implemented both at the policy level and at the level of craft innovation. The concept of the designer-craftsperson as an entrepreneur is central here. It connects artistic creativity with business thinking: the artist is not only a maker of objects, but also a designer of experiences and a cultural entrepreneur. In Shiraz, design entrepreneurship can support local brands, customized products, and closer interaction with global markets. The two central research questions are.

1. What is the current condition of Khatam-kari and Minakari in Shiraz from cultural, economic, institutional, and tourism perspectives?
2. How can design thinking, neo-craft, and the creative economy create the conditions for artistic entrepreneurship and design entrepreneurship in the city?

Two further questions remain important for future inquiry: what policies, structures, and managerial actions can develop Shiraz handicrafts within the framework of creative tourism, and what strategic routes and practical scenarios can be proposed through abductive reasoning and scenario-based design at the levels of policy-making, tourism networks, and craft innovation. Answering these questions requires further exploration of abductive logic, its relationship with design and tourism management, the role of associative thinking in craft creativity, and several related concepts. Overall, by focusing on Shiraz as a potentially creative cultural city, this study shows how handicrafts can move beyond the status of heritage objects or decorative goods and become key pillars of tourism experience, urban identity, and sustainable economic development.

Literature Review

The relationship between handicrafts and the creative tourism economy was first discussed in a systematic way by David Throsby in his work on cultural capital. His argument can be applied directly to handicrafts: when craft objects are examined not merely as objects but as assets within the creative economy, they gain capital value and can contribute to the vitality of tourism. Later, Victor Ginsburgh's work on the economics of art and culture examined economic models of cultural production, including handicrafts. From this perspective, handicrafts are not marginal economic products; they are meaningful factors in wealth creation, cultural capital, and recognizable economic value. Other important concepts in this field include the experience economy, craft policy, co-creation, financial resilience through handicrafts, the souvenir economy, craft authenticity, and participatory design and making. Among these, the highest status belongs to

heritage crafts, a category that includes both khatam-kari and minakari.

Theoretical Framework

• From cultural tourism to creative tourism

The transition from cultural tourism to creative tourism is one of the most important conceptual developments in tourism studies over the past two decades. Cultural tourism, which dominated the final decades of the twentieth century, focused on visiting historical sites, museums, and artworks. From the 2000s onward, participatory and experience-based approaches created a new paradigm: creative tourism. (Richards & Raymond, 2000). In creative tourism, active experience and interactive learning replace passive viewing. The tourist is no longer simply a consumer of culture, but becomes a creative participant who learns cultural skills and takes part in craft workshops, music, cooking, or local arts. Through these activities, visitors experience and reproduce part of the host culture. Richards emphasizes that creative tourism is not only a cultural experience but also a process through which tourists and host communities co-create value. In this framework, cities with strong cultural identities and living intangible heritage can use creative tourism as a tool for economic and social renewal (Richards, 2021). For developing countries such as Iran, this model can provide an alternative to mass tourism, which often leads to the overuse of cultural resources. Creative tourism can support cultural reproduction, preserve traditional skills, and pass local knowledge to younger generations. In this context, handicrafts are among the clearest expressions of cultural heritage and one of the central elements of creative tourism. While in conventional cultural tourism handicrafts often function as souvenirs, in creative tourism they become platforms for experience and learning. Tourists can visit workshops, touch raw materials, learn traditional techniques, and take part in the creation of an object.

• Cultural tourism management and the revival of heritage

Cultural tourism management is a branch of sustainable tourism management. It focuses on preserving cultural heritage, improving the quality of the visitor experience, and supporting local economic development. Its central challenge is the balance between authenticity and innovation: how to preserve cultural integrity while responding to the expectations of contemporary tourists. (McKercher & du Cros, 2012). The concept of intangible heritage is especially important here. Handicrafts, language, music, and local rituals are all forms of intangible heritage that can be directly activated in creative tourism. According to UNESCO's approach, safeguarding intangible heritage succeeds only when local communities participate actively in cultural transmission and reinvention (UNESCO, 2019). Shiraz clearly has these capacities.

Generations of master khatam-kari and minakari artisans, traditional markets such as Vakil Bazaar, caravanserais, and historic houses can all become platforms for creative cultural tourism. Effective management of these resources requires coordinated cultural and economic policies that prevent such spaces from becoming merely staged attractions.

• The creative economy and the cultural and creative industries

The concept of the creative economy, first popularized by John Howkins (Howkins, 2001) and later developed by international organizations such as UNCTAD and UNESCO, focuses on sectors where human creativity, innovation, culture, and intellectual capital are the main sources of economic value. Creative industries include design, fashion, music, film, media, visual arts, and handicrafts. In many countries, handicrafts stand beside industrial design as a foundation of the creative economy. Combining traditional skills with contemporary design and digital marketing can expand the value chain of handicrafts. In Iran, attention to the creative economy has increased in cultural-heritage policy since the mid-2010s. Cities such as Isfahan and Tabriz have been introduced as creative centers of handicrafts, but Shiraz, despite its deep cultural and artistic background, has not yet been fully positioned within the global network of creative cities. The creative economy can also create a platform for social innovation. When handicrafts interact with local communities, universities, designers, and cultural entrepreneurs, they can generate employment while strengthening collective identity and cultural belonging.

• Design thinking: linking creativity, human-centeredness, and innovation

Design thinking has become one of the key approaches in creativity and innovation management (Brown, 2009). It is used not only in product design but also in addressing complex social and cultural problems. It is a layered concept, and three characteristics are especially relevant to this study. First, design thinking combines logic and intuition. It resembles engineering thinking in its concern for practical solutions, but it gives a privileged role to intuition and human experience. The central message of the Stanford School of Design Thinking is that the user must be felt before being analyzed. For this reason, empathy is the first and most fundamental step in design thinking. Second, design thinking is particularly useful for wicked problems: problems that have been incorrectly defined, problems for which stakeholders hold misleading assumptions, or problems with more unknowns beyond solvable equations. Such problems cannot be solved through linear verification alone. They require deeper causal layers, including discourse, history, phenomenology, post-structural analysis, and mythic or symbolic understanding. The revival and competitiveness of handicrafts in Iran can itself be seen as a wicked problem.

Before practical solutions can be proposed, the dimensions of the problem must be imagined and framed correctly. Third, design thinking can be understood not merely as prototyping but as a distinct logic of problem-solving. Alongside deductive and inductive reasoning, abductive reasoning gains meaning as a key mode of creative problem-solving. Through this logic, a problem is examined from several angles and possible horizons of action are defined.

In handicrafts, design thinking can support new forms, sustainable materials, improved packaging, and interactive experiences. The process of Khatam-kari, for example, can be transformed from a workshop activity into a participatory tourism experience in which visitors help create a small part of the work. Yet this is only an entry point. Handicrafts contain deeper cultural and economic layers that, from the perspective of design thinking, create rich horizons for culture-based creativity. The foundation of the cultural creative industries is precisely this kind of culture-based creativity, generated through interaction with culture itself.

• **Neo-Craft: reimagining heritage in the contemporary age**

The concept of neo-craft has been used in art and design research to describe the renewal of traditional handicrafts through modern technologies and contemporary aesthetics (Dormer, 2015). In this approach, handicrafts are not treated as the opposite of modernity; instead, they are redefined through dialogue with it. Neo-craft does not imitate the past. It combines authenticity with innovation. Examples might include the use of transparent resins in khatam-kari or natural colors and non-toxic glazes in minakari. In cities such as Kobe and Florence, neo-craft approaches have helped revive traditional industries through education, exhibitions, and creative markets, producing new cultural and economic value. For Shiraz, a similar model could preserve local skills while attracting tourists who are interested in contemporary cultural experiences. Scattered design innovations already suggest possible starting points: for example, breaking a Persian carpet pattern into individual framed components, or using traditional decorative languages on contemporary consumer products, as in collaborations between luxury appliance and fashion brands.

• **Handicrafts, creative tourism, and sustainable development**

The link between handicrafts and creative tourism matters not only culturally but also in terms of sustainable development. Because handicrafts rely on local resources and human skill, they can support inclusive development and low-carbon economic models. The theoretical framework of this study brings together four main axes.

- Heritage and authenticity: rooted in local culture and intergenerational knowledge transfer.

- Creativity and design: innovation in form, experience, and narrative.

- Cultural economy: value creation through branding, marketing, and global interaction.

- Social and environmental sustainability: responsible production and respect for community and nature.

Therefore, the framework rests on the idea that traditional handicrafts, when redefined through design-oriented and creative thinking, can become engines of urban cultural and economic development.

Research Methodology

• **General research approach**

This study is developmental, comparative, and hypothesis-generating. It seeks to define strategic pathways for strengthening handicrafts and creative tourism in Shiraz. Because the subject is multifaceted and interdisciplinary, the research method must be able to interpret cultural phenomena while also drawing on design and foresight. The methodological framework is therefore based on abductive reasoning, associative thinking, and scenario-based design. The authors' field, interview, and bibliographic experience suggest that the main problem is not simply the absence of a solution. Rather, it is an incomplete understanding of the conditions and contexts in which solutions must emerge. Two major problems are visible in the field of craft-oriented innovation in Iran. First, there is a considerable gap between Iranian craft research, action, and policy-making and the international state of the field. Iran has, in practice, been pushed aside from the group of countries that present their handicrafts at the highest global levels. Second, historical experience shows that simply imitating global strategies will not revive Iranian policy-making. These conditions suggest that research needed in handicrafts, design craft, craft entrepreneurship, and related fields is not merely to test a hypothesis, but to generate possible hypotheses and define their range. Abductive reasoning moves between field observations, existing theories, and creative inference. In this approach, the researcher does not simply confirm a hypothesis, but searches for plausible explanations of a phenomenon (Conaty, 2021). In the present study, abductive logic allows movement from specific observations, such as the state of khatam-kari workshops in Shiraz or the behavior of tourists in Vakil Bazaar, toward broader models, such as a policy framework for creative tourism.

Associative thinking helps the researcher connect fields that may seem separate, such as industrial design, cultural tourism, and urban policy. This mode of thinking supports innovative ideas that may not be predictable within conventional research frameworks. Its key function is to build networks of possible relations before directly representing a final solution. In practical terms, it expands decision options and strengthens

competitiveness by identifying obvious, potential, emerging, and hypothetical competitors. Finally, scenario-based design forms the practical part of the methodology. It helps define different development pathways that can be implemented at several levels: policy-making, tourism networks, and the artist or entrepreneur level. The purpose is not to prescribe a single solution, but to offer flexible options, because cultural and creative issues are marked by uncertainty and continuous change (Tomasella, 2022).

• Data Collection and Analysis

Data for the study were gathered from three main sources.

- Institutional and statistical sources, including official reports by the Ministry of Cultural Heritage, Tourism and Handicrafts, the Cultural Heritage Department of Fars Province, annual handicraft reports, export statistics, employment figures, production volumes, license numbers, and growth trends (IRNA, 2024).

- Academic sources in Persian and English on creative tourism, cultural management, product design, and handicrafts, including work published in international journals such as *Cultural Tourism Studies*, *Tourism Management Perspectives*, and *Creativity and Innovation Management*.

- Field observations and secondary sources, including visits to Khatam-kari and Minakari workshops, local markets such as Vakil Bazaar, handicraft exhibitions, websites, online shops, and artists' social-media pages.

The data analysis followed an abductive thematic approach. Key themes were extracted from observational and documentary data and then compared with theoretical frameworks. Based on the structure of abductive logic, the output of the research is not the verification of a single hypothesis or scenario, but the presentation of a range of possible hypotheses for improving decision-making in cultural tourism management. Themes that could lead to design-oriented ideas were identified through associative thinking and then organized through a layered product-service logic into systems, interactions, and artifacts. The output is a structured set of ideas and scenarios that broadens and improves the range of available choices.

• Rationale for the research method

A reader may ask why an abductive method is appropriate for creative tourism management. The answer lies in the current condition of the field. Based on managerial observations and interview-derived data, the relationship between handicrafts, tourism policy, and creative-sector strategies has been largely neglected. There is a substantial gap between local management practices and contemporary global debates. For this reason, new concepts such as the designer-craftsperson, craft entrepreneur, craft curator, neo-craft, and creative tourism must first be introduced and interpreted. At the same time, methods that support creativity and innovation must

also be read and applied. These include Associative Thinking and Causal-Layered Analysis, though they are not limited to them.

In simple terms, rational decisions cannot be made without first identifying the range of possible options and assessing their scope. The need for creative thinking emerges from a situation that demands social resilience and the ability to work with wicked problems. Under current conditions, where sanctions and other difficulties restrict tourism growth, the creation of new needs, values, and exchange channels becomes even more important. The handicraft market suffers from a wicked problem: it may be poorly defined, shaped by incorrect assumptions, or too complex for purely linear problem-solving. Therefore, it must be addressed not only logically but creatively, while still considering all related options. The results of the analysis are used to generate three strategic scenarios.

• Limitations and validity

The most important limitation of this study is the shortage of precise quantitative data on artists' income, production costs, and the purchasing behavior of foreign tourists in Shiraz. In addition, information on the effect of design education or innovative workshops on artists' income is not readily available. Since the aim of the study is theory-building and scenario-based design rather than statistical analysis, these limitations are incorporated into the abductive framework rather than treated as barriers to the study. The validity of the research is supported through triangulation. Institutional data, research documents, and field observations were compared and interpreted together. The analytical framework also aligns with internationally recognized theories, including creative-city models and creative-economy frameworks. Concepts such as design thinking, abductive reasoning, creative abduction, interactive creativity, culture-based creativity, and associative thinking remain relatively new in tourism management literature, especially in Persian-language studies. They deserve further exploration in future work.

Contextual Analysis of Handicrafts in Iran and Shiraz

• The National situation of Iranian handicrafts

Iran is one of the ancient centers of handmade arts in the world. It has around 160 internationally known handicraft fields, and nearly two million people are directly active in this sector (IRNA, 2024). Iranian handicrafts include Khatam-kari, Minakari, carpet weaving, pottery, engraving, felt-making, tilework, wood carving, and metal arts, distributed across different provinces. According to Iranian cultural-heritage reporting, Iran's handicraft exports have reached hundreds of millions of dollars, part of it through official exports and part through sales to foreign tourists, often described as suitcase

trade(Xinhua, 2019). This indicates the significant potential of handicrafts in the national economy, although their share of GDP remains small in comparison to countries such as India and Turkey.

One of the strengths of Iranian handicrafts is regional and cultural diversity. Lalejin pottery, Golpayegan wood carving, Kerman carpets, and Shiraz khatam-kari each represent a specific cultural region. This diversity has high potential for geographical branding. In recent years, national policy has shown greater interest in the creative economy through documents and programs related to handicrafts, creative cities, and cultural creative parks. Yet weaknesses in the handicraft value chain, from design to marketing and export, remain among the main challenges.

• Handicrafts in fars province and shiraz

Fars Province, and especially Shiraz, is one of Iran's historical centers of handicraft production. Official reports indicate that from 2021 to 2024, the province exported more than 2.5 million dollars' worth of handicrafts, while employment in the sector increased significantly (Tehran Times, 2024). Thousands of individual production licenses have been issued to handicraft artists in Shiraz, and many people work directly or indirectly in the sector. More than two hundred larger workshops are active in khatam-kari, minakari, wood carving, and metalwork.

From the perspective of cultural heritage, Khatam-kari and Minakari are two of Shiraz's signature arts.

- Khatam-kari has been internationally known since the Safavid period. It involves the careful assembly of pieces of wood, metal, and bone into precise geometric patterns. In Shiraz, it is used not only for boxes, panels, and frames, but also for furniture and architectural decoration.

- Minakari is the art of decorating metal, usually copper or silver, with enamel and traditional motifs. Its bright, transparent colors give Iranian objects a distinctive aesthetic identity.

Vakil Bazaar is one of the main centers for selling handicrafts and plays a central role in connecting artists with tourists. However, workshop visits and direct interaction between tourists and master craftspeople remain limited. This gap can serve as a starting point for developing creative tourism in the city.

• Opportunities and Challenges

Field and institutional analysis show that Shiraz handicrafts possess a strong artistic infrastructure but face several key challenges:

- Limited design innovation: many products continue to follow traditional patterns and do not fully match the tastes of younger tourists.

- Weak connection between artisans and industrial

designers: interdisciplinary cooperation remains limited, reducing the creation of innovative products.

- Weak digital marketing and branding: most sales occur in local markets, while online and international market presence is limited.

- Lack of participatory tourist experience: visitors usually act as buyers rather than partners in learning or production.

- Institutional fragmentation and lack of integrated policy: tourism, art, and economic organizations are insufficiently coordinated.

At the same time, several opportunities are visible: skilled human resources and a long history in khatam and minakari; growing global demand for handmade and local products; rapid growth in digital platforms and online sales; and Shiraz's strong cultural potential to join creative-city networks. This combination of challenges and opportunities provides the foundation for the strategic scenarios that follow.

Analysis and Strategic Scenarios for Creative Tourism in Shiraz

• Analytical Framework

Based on the theoretical framework, the analysis considers three key levels for the development of Shiraz handicrafts and creative tourism:

- The policy and urban-strategy level (Macro Level): it includes cultural policies, public institutions, and urban development programs.

- The tourism-network and market level (Messo Level): it includes tourists, agencies, guilds, craft associations, and marketing infrastructure.

- The artistic creativity and innovation level (Micro Level): it includes design, production, experience, and marketing by artists and cultural entrepreneurs.

Using abductive reasoning and associative thinking, the study analyzes the current situation and proposes three likely scenarios for the future.

• The Current situation: from tradition to incomplete innovation

Although handicrafts in Shiraz are deeply rooted in local culture, there is a visible gap between heritage and the market. Many artists continue to work with traditional patterns, while contemporary tourists often seek meaningful experiences, interactive learning, and unique products. In Vakil Bazaar, foreign visitors often admire khatam-kari and minakari, but they rarely have opportunities to take part in making them. At the same time, younger artists often understand modern design and technology well, but they have limited access to financial support and global markets.

In other words, the Shiraz handicraft ecosystem is semi-active: it has high creative potential but low institutional synergy.

• **A Three-part analytical model**

The analysis shows that creative tourism in Shiraz will become sustainable only when three elements are connected in a dynamic cycle:

- **Heritage:** preserving skills, authentic patterns, and local cultural narratives.
- **Design:** creating new value through form, color, experience, and technology.
- **Market:** reaching global consumers through digital marketing and customer experience.

Together, these three elements form the value circle of contemporary handicrafts. If one remains inactive, the whole system loses momentum. The following scenarios are therefore designed to activate the heritage-design-market nexus in the context of Shiraz.

• **Strategic Scenarios**

Based on what has been discussed, a matrix of different scenarios which could be effective in the field of urban decision-making is presented (Table 1). The output of this table is consisted of 9 scenarios. The rows of this matrix suggest key strategies that include the fusion of heritage and innovation, digital development, the global market, a participatory and community-based model. The columns of the matrix also include policy and strategic levels, the level of tourism network interaction, and finally the level of creativity and innovation.

• **Comparative analysis of the scenarios**

Scenario A focuses on policy integration and urban branding; it is necessary for creating global credibility and positioning Shiraz within creative-city networks. Scenario B is more future-oriented and can connect handicrafts to the global value chain, although it requires investment in technology. Scenario C has the strongest social impact because it preserves

intangible heritage and strengthens cultural belonging. A sustainable and locally grounded model for Shiraz can be built by combining elements of all three scenarios: protecting heritage, encouraging innovation, and inviting tourists into a more human and participatory experience.

• **Design thinking and Neo-Craft in scenario implementation**

Design thinking plays a central role in implementing these scenarios. In the empathy phase, interviews with artists and tourists can identify the real needs of both groups. In the ideation phase, designers can create new forms for khatam-kari and minakari. In the testing phase, prototypes of products or tourism experiences can be implemented on a limited scale and refined through feedback. Neo-craft, as the contemporary reworking of traditional crafts, gives Shiraz the possibility of preserving authenticity while speaking through modern aesthetics. Khatam-kari in contemporary furniture or minakari in minimalist jewelry are examples of this transformation and can be attractive in global markets.

Strategic and Policy Recommendations

• **Macro Level: Policy and Strategy**

- Preparing an official Creative Tourism Development Document for Shiraz with handicrafts at its center, including export, education, environmental, and cultural goals.
- Creating coordinated institutional structures among the Ministry of Cultural Heritage, Shiraz Municipality, Shiraz art universities, and artists' associations.
- Developing geographical branding and legal protection for Shiraz khatam-kari and minakari at national and international levels.
- Establishing craft design and innovation centers

Table 1. Creative industry scenario matrix with three levels of policymaking, tourism network interaction, and manufactured creativity, and in three rows: fusion of heritage and innovation, digital development, and partnership model. Source: Authors.

Scenario	Policy and Strategic Level	Tourism-Network Level	Craft Creativity and Innovation Level
A. Fusion of Heritage and Innovation	Prepare a formal Creative Tourism Strategy for Shiraz; position the city for recognition as a creative city of crafts and folk art; establish craft design labs in cooperation with universities and the private sector.	Design craft tours, workshop routes, and an annual creative-crafts festival in collaboration with hotels, associations, and cultural venues.	Train artists in design thinking; create limited editions; encourage collaboration between khatam masters and contemporary designers to produce new products such as furniture, jewelry, and interior objects.
B. Digital Development and Global Market Expansion	Allocate funding for e-commerce infrastructure; support online export; create platforms for Iranian handicraft sales.	Launch virtual exhibitions and online workshops for international tourists; connect producers and consumers through augmented reality.	Design digital and three-dimensional products; use eco-friendly materials in minakari; develop micro-brands and digital marketing through social media.
C. Community-Based and Participatory Model	Focus policy on empowering rural and local artists; create micro-credit funds and craft schools around Shiraz.	Develop village-based tourism experiences, eco-lodges with training workshops, and local festivals.	Create innovative cooperatives or craft co-labs; develop story-driven products that reflect local identity and memory.

to connect design students with traditional master craftspeople.

- Creating a green-label reward system for artists who use sustainable and non-toxic materials.

- **Meso Level: tourism networks and markets**

- Developing experience-based tours that include workshop visits, short training sessions, and cultural routes combining poetry, gardens, and art.

- Cooperating with hotels and eco-lodges to display and sell local artists' work.

- Launching a virtual Shiraz handicraft marketplace with international payment capacity and multimedia storytelling about artists.

- Training creative cultural-tourism guides who understand design concepts and Iranian art history.

- Creating collaborative networks between artists and tourism brands to design combined experiences, such as souvenir-making workshops for foreign visitors.

- **Micro Level: product innovation and design entrepreneurship**

- Offering design-thinking courses for artists focused on ideation, prototyping, and marketing.

- Innovating in form and use, from khatam-kari in modern furniture to minakari in luxury homeware.

- Developing family and micro craft brands that place the artist's story at the heart of the brand.

- Using augmented reality and three-dimensional printing to visualize designs and support customized orders.

- Creating biennial exhibitions in Shiraz to present neo-craft works with a focus on tourist interaction.

- **Policy Vision: from a heritage city to a creative city**

Implementing these strategies can move Shiraz from being primarily a heritage city to becoming a creative city of art and craft. In such a city, heritage is not frozen in museums; it remains alive and speaks in the language of the present. If Shiraz implements a combined model of heritage, innovation, and participation, it can become a national model for creative tourism in Iran and strengthen its place in global cultural tourism networks.

Analytical Conclusion and Future Outlook

This study presented a multi-level and interdisciplinary framework for understanding the role of creative industries, especially Khatam-kari and Minakari, in the development of creative tourism in Shiraz. The findings show that Shiraz handicrafts possess a deep artistic heritage and a skilled human base, yet they have not been fully integrated into the global creative economy. This is not because of weak skills or poor production quality. It is mainly the result of fragmented policy, insufficient international branding, and limited design innovation.

The abductive and scenario-based analysis suggests three

complementary pathways for the future of Shiraz handicrafts. The first is the integration of heritage and innovation, linking tradition with contemporary design and leading to an urban brand for Shiraz creative crafts. The second is digital and global-market expansion, using technology for sales, marketing, and virtual craft experiences. The third is a community-based participatory model, which emphasizes social and cultural sustainability by empowering local artists and turning tourism into a tool for sustaining living heritage. These pathways are not contradictory. Together, they can create a locally grounded Iranian model of creative tourism that preserves heritage, encourages innovation, and generates economic vitality.

- **Theoretical Reflection: from industry to culture, from art to experience**

One theoretical contribution of this study is a model that redefines handicrafts not merely as commodities, but as platforms for cultural experience and social design. In this model, the tourist becomes a creative actor, and the artist becomes a facilitator of experience. This shift also changes urban cultural management. Management must move from passive protection to active cultural creation.

Neo-craft, as the meeting point of tradition and modernity, can become a tool for identity innovation, especially in the historical context of Shiraz. Cultural authenticity does not have to oppose modernity; it can find new meaning through dialogue with it.

- **Policy and managerial implications**

The findings show that the vision of a creative Shiraz requires a comprehensive document for handicrafts and creative tourism, approved by local and national institutions; craft design labs that train artists in design thinking; international digital markets for khatam and minakari products; and support for art-based eco-tourism and socially participatory projects around Shiraz. Implemented together, these policies can increase exports and employment while also strengthening Shiraz's cultural position in global creative-city networks.

- **Future research directions**

This article raised several broad questions: the current condition of Shiraz handicrafts; the role of design thinking, neo-craft, and the creative economy in entrepreneurship; the policies and managerial structures needed for development; and the use of abductive reasoning and scenario-based design in strategic planning. The article should be seen as a research pathway for creative tourism management in Iran. Several questions remain open for future work:

- How can design logic be explained as abductive and creatively abductive logic, and how does it differ from other forms of reasoning in tourism creativity?

- How can associative thinking become an infrastructure for craft creativity?
- How can scenario-based planning be developed through additional field research to define strategic routes for cultural tourism?
- How do Shiraz, Isfahan, and Tabriz differ in their models of handicraft development?
- How do tourists behave in experience-based khatam-kari and minakari workshops?
- What is the effect of design-thinking training on artists' income and satisfaction?
- How sustainable are creative cultural policies over the long term?

Conclusion

In the end, Shiraz handicrafts stand at the intersection of three forces: cultural heritage and historical skill; design innovation and technology; and tourism dynamics and the global market. If these forces are aligned within a coherent cultural policy, Shiraz can move from a heritage city to a creative and future-oriented city. In that city, Khatam and Minakari would not be only art objects; they would become languages of communication, experience, and development. The central answer of this article is the need for a change in perspective: handicrafts should no longer be treated as fixed objects, but as dynamic members of the creative tourism ecosystem. They are carriers and media of creativity, cultural values, and a living tradition of value-making. The significance of Shiraz as a jewel of Iranian cultural tourism is far greater than preliminary planning can capture. The handicrafts of Shiraz are part of the wider function of cultural heritage, a function that has not yet been fully understood. Too often, cultural heritage is either mummified in museums or presented in a shallow, artificial, kitsch form as mere decoration in the marketplace. Design thinking can at least help organize the cognitive layers needed for cultural understanding. Before the Islamic Revolution, efforts were made to revive Shiraz's position, but unfortunately were not successful in contact with the domestic system of values and led to controversial consequences and

strong criticism, which require future critical study. Three final points are therefore essential for planning the creative industries of Shiraz:

- First, Shiraz is not simply a city of handicrafts; it is a city of craft in the broader sense of "Sanaat صناعت" a word that can include literary and verbal craft as well as material craft. Connecting the values of handicrafts with other forms of craft can open a new horizon for reviving the creative industries. Philosophical, aesthetic, and spiritual traditions related to Iranian and Islamic art contain valuable links, but because of the lack of design thinking, these links have not been aligned in tourism management.

- Second, the cultural richness of Shiraz does not lie only in the coexistence of high cultural monuments. It also lies in the deep potential to combine different languages of craft and culture. Such a combination can help create a global language for plural creativity. Persian literature has reached global audiences through figures such as Khayyam and Rumi, yet the literary craft of Shiraz, especially Saadi and Hafez, still requires much more careful cultural presentation. The human message of Saadi's "Bani Adam" has been recognized globally, but the treasure organized by Hafez has not yet been fully introduced. This language of correspondence among different schools of belief and thought continues, in another form, the plural cultural language once visible in Persepolis.

- Third, tourism management needs an alternative model of globalization: one that moves beyond capital-centered, centralized tourism and avoids both monopolistic capitalism and ideologically frozen, non-creative tourism. Such a transition requires an intellectual infrastructure that can activate the economy, create value, wealth, and identity, and also be replicated. Shiraz, as a jewel of Iranian tourism, can play a major role in this path. This article is offered as a contribution to that aspiration.

Conflict of Interest

The authors declare that there is no conflict of interest in the execution of this research.

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